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# ERS NEWSLETTER

A Bimonthly Newsletter for Economic Research Service Employees and Colleagues

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## EC-1992: Agriculture and Trade Effects

ERS has a significant program of research on the potential effects on U.S. agricultural trade of "EC-1992," the European Community's timetable for economic integration. The research program, centered in ERS's Agriculture and Trade Analysis Division, was initiated in August 1989 with sponsorship of a symposium at the American Agricultural Economics Association meeting in Baton Rouge, La., organized by ERS economists David Kelch and Walter Gardiner

(786-1610) and chaired by ERS Administrator John Lee.

ERS is using its expertise on European agriculture to analyze the direct and indirect effects of "EC-1992" on European Community agriculture and trade. Direct effects include the elimination of the agrimonetary system that has resulted in differential pricing of farm products across EC member countries and has required border taxes and subsidies known as monetary compensatory amounts. Other direct effects will stem from harmonizing national standards

See EC-1992, p. 2

## Pacific Rim Agriculture and Trade Symposium Set for August

An International Agricultural Trade Research Consortium symposium on "Agriculture and Trade in the Pacific: Looking Towards the 21st Century" is being organized by ERS economist William Coyle (786-1610), Hiroshi Yamauchi (University of Hawaii), and Dermont Hayes (Iowa State University). The symposium will be held in Honolulu, Hawaii, August 1-2.

The symposium will examine the economic and political forces in the Pacific that are changing the global economy and the patterns and trends of world agricultural trade. The rapidly growing food-deficit countries of East Asia will continue to be a focus of agricultural trade growth and competition. The agricultural surplus nations in North America, Oceania, Europe, and Southeast Asia will vie for positions in the dynamic East Asian markets. Farm and trade policy reform around the region and broadening economic and diplomatic contacts with the Pacific Rim countries and the U.S.S.R. promise to change the region's competitive environment in the coming decades.

## A Taste of the Country Salutes Calvin Beale



ERS's noted demographer and interpreter of the changing rural scene, Calvin Beale, has had a high profile in recent months. In February, a new book, *A Taste of the Country*, was published by Pennsylvania State University Press as a tribute to Beale. It is a collection of Beale's writings and was edited by another noted demographer, Peter Morrison (Rand Corporation).

On March 9, the *Wall Street Journal*, in a special supplement on the 1990 Census, featured a full-page story on the "courtly" Beale. The article recounted his discovery of the historically unique reversal in rural-urban migration, the famous "Rural Renaissance" of the 1970's. Beale also identified the end of that renaissance and has tracked a period of heavy movement of people away from rural areas in the mid-1980's.

Also, Beale recently coauthored (with Glenn Fuguitt, University of Wisconsin, and David Brown, Cornell University) a major book, *Rural and Small Town America*, which interprets U.S. Census data on rural America in the 1980's. Published in December by the Russell Sage Foundation, the book is part of a series on the U.S. population.



### In this issue . . .

*Current Research*, 2  
*Administrator's Letter*, 3  
*Personnel Notes*, 5  
*Highlights of Staff Activities*, 6

## Current Research

### Farm-Level Budget Model Developed

The Agriculture and Consumer Protection Act of 1973 gave USDA the mandate to produce national estimates of the average costs of producing wheat, feed grains, cotton, and dairy products. The annual *Economic Indicators of the Farm Sector: Costs of Production* series carries these estimates, and ERS periodically publishes forecasts of average costs. Two recent developments have improved ERS's cost-of-production estimates and strengthened its ability to provide information on U.S. agriculture.

First, cost-of-production data have been collected on special versions of USDA's probability-based Farm Costs and Returns Survey on a 4-year rotational basis since 1984. With the completion of the 1988 Farm Costs and Returns Survey, probability-based data are available for all commodities.

Second, ERS analysts, coordinated by Dargan Glaze and William McBride (786-1801), have developed a new estimation system, the Farm-Level Budget Model, that prepares a commodity budget for each respondent. State, regional, and national averages are then

aggregated from individual operation budgets. The one-to-one correspondence between production costs and descriptive data for individual farms also enables research on differences in farm-level costs by farm and operator characteristics, production practices, land tenure, and resource use.

Before the Farm-Level Budget Model was used, only each crop's average cost was available. Now one can determine, for instance, that 25 percent of wheat farms incurred cash costs of less than \$1.58 per bushel while 25 percent had cash costs of more than \$3.30 per bushel. Furthermore, 84 percent of wheat farms had cash costs below the target price of \$4.38 per bushel and 97 percent of wheat was produced at cash costs less than the target price. Besides the value to policymakers in setting support levels, this information is critical in understanding the competitiveness of U.S. agriculture.

Once a model is built for each commodity, all estimates and special analyses will come from the new model, which will be specific to the year in which the data are collected. Models have been completed for rice (1984 crop), wheat, soybeans, sorghum, corn, and cotton. Models are being developed for barley, peanuts, rice (1988 crop), and oats.

EC-1992, from p. 1

relating to plant and animal health regulations and from establishing uniform labeling and packaging requirements for food products. The EC program proposes to eliminate, step by step, internal barriers to the movement of goods, services, capital, and people by the end of 1992, thereby creating one market of 320 million people and a GNP of \$4 trillion.

Other researchers involved in ERS's research program on "EC-1992" are ERS economist Charles Handy—implications for

U.S. food companies; Wilhelm Henrichsmeyer (University of Bonn)—impact on input markets; Terry Roe (University of Minnesota) and Louis Mahe (Agricultural Research Institute, Rennes, France)—agricultural and nonagricultural policy linkages; Tim Josling (Stanford University)—impact on the agrimonetary system; Dennis Henderson (Ohio State University)—implications for food processors and distributors; and Maury Bredahl (University of Missouri)—implications for external trade.

## How Does Changing Policy Affect Resource Use?

Resource policy has traditionally focused on specific resources and specific resource problems, largely isolated from more general economic policy. For example, problems of soil erosion were traditionally dealt with independently of commodity program policy. Likewise, pesticide policy has been dealt with in a framework that considers the benefits and costs of individual pesticides irrespective of more general farm policy.

As the policy agenda has evolved—specifically the linking of commodity program policy and environmental issues in the 1981 and 1985 farm laws and the emphasis on trade liberalization that raises issues regarding subsidies directed at resource use—the need for a broader analytical focus has similarly evolved.

Policy researchers in ERS's Resources and Technology Division (RTD) are assessing how the farm sector would adjust to changes

See CHANGING POLICY, p. 4

### ERS Newsletter

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## Administrator's Letter—*Observations from "Down Under"*

In January and February, I visited Australia and New Zealand. I participated in the Australian Agriculture and Resources Outlook Conference in Canberra and, later, in an annual meeting of the Australian Agricultural Economics Society in Brisbane.



USDA

The planning and execution of the outlook conference are entirely the responsibility of the Australian Bureau of Agricultural and Resource Economics (ABARE). ABARE is the Australian counterpart to ERS. The conference was held in the brand-new National Convention Center, a beautiful and functional complex designed for such conferences. A large hall easily handled the more than 1,500 registrants, and smaller rooms seated up to 500 for nonplenary sessions. Even with a registration fee of \$385, registration had to be limited! The sessions were televised live nationwide.

The speakers were frank (to put it mildly) and made their points within their allotted 10 minutes each, almost without exception. All papers were printed in advance of the conference and presented to participants on the opening day in a large indexed binder that also contained much other useful information.

The participants were served all their meals at the conference. Special receptions and all-day refreshment stands were provided by major agribusiness firms. A large exhibit room contained dozens of exhibits by major private and public providers of information and services to farmers.

The mix of speakers and participants was impressive. Speakers included prominent economists from all over the world. The audiences included top farm and agribusiness leaders as well as farmers from all over Australia. The discussion sessions were spirited, high-level, and substantive. Often, the discussants from the floor added as much factual information as the presenters did.

While in Canberra, I spent some time reviewing Bengt (Skip) Hyberg's project. He is on detail to ABARE as part of the ongoing ERS-ABARE exchange program. Sean Pasco of ABARE is currently in ERS [see *ERS Newsletter*, Vol. 8, No. 1, Feb./Mar. 1990]. To commemorate the success of the exchange program, which began in 1979 with Rob Bain coming to ERS and Larry Deaton going to ABARE (then BAE), I presented Brian Fisher, director of ABARE, with a brass-on-walnut plaque on which the names of all participants in the exchange program were inscribed. That plaque will hang in the ABARE conference room as a symbol of the strong and productive linkage between ERS and ABARE.

Between meetings in Canberra and Brisbane, I spent time on several Australian farms (stations) and a day in the Agricultural Economics Department at the University of New South Wales (Armidale). Throughout my travels in Australia, I found that leaders in academia, government, and agriculture were quite aware of the work of ERS and held us in high regard.

In New Zealand, I presented seminars at Lincoln University in Christchurch, the Ministry of Agriculture and Fisheries in Wellington, and Massey University in Palmerston North. In all three locations, agricultural economists are involved in cooperative research with ERS economists. The result of one such collaborative effort, a major book on the consequences of the near-complete withdrawal of government assistance to agriculture in New Zealand, should be off press in Wellington by the time this newsletter is distributed.

Sometimes distance provides a useful perspective. I picked up some ideas on how we might do some things better here at home. I also gained a new appreciation for the good people in ERS and the tremendous potential they represent.

A stylized, handwritten signature in dark ink. The first part of the signature is a large, flowing 'J' that loops around. The name 'John' is written in a cursive script. Below the signature, the name 'John Lee' is printed in a simple, sans-serif font.

John Lee

in existing farm programs and how such changes could affect the allocation and value of resources used in agriculture. Particular attention is being given to how policy changes would affect farmland values, the use of land and nonland inputs in the production of crops and livestock, and the returns to fixed and quasi-fixed production factors (capital, labor, and land).

The program looks at policy change in three broad areas: aggregate impacts, regional impacts, and environmental impacts. In initial work, ERS researchers James Hrubovcak (786-1429), Robbin Shoemaker, and Margot Anderson have found that the ease of substitution of land for nonland inputs significantly influences agricultural production, prices, input use, and the returns to land, labor, and capital.

Analyses of regional and environmental impacts of program changes offer an interesting research potential. A paper at the 1989 Commercial Agricultural and Resource Policy Symposium in Baltimore, Md., by RTD director John Miranowski and researchers James Hrubovcak and John Sutton, presented the short- to intermediate-run impacts of farm program changes on regional crop production, agricultural chemical use, and soil erosion. The authors concluded that commodity program changes would not cause major adjustments in regional crop production, chemical use, or soil erosion.

## Global Commodity Markets and Policies

ERS economists are preparing a series of monographs on global markets and the policy setting for major commodities. The monographs are companion volumes to the series of commodity basebooks recently published as

background for the 1990 farm bill legislation [see *ERS Newsletter*, Vol. 8, No. 1, Feb/Mar. 1990]. The new monographs provide a world market profile for each commodity and examine domestic and trade policies of major market players. The monographs also examine the consequences of existing policy regimes for market performance. When completed, the series of monographs will cover 11 commodities or commodity groups—beef; coarse grains; dairy; fruits, vegetables, wine, and tropical beverages; oilseeds; poultry; pork; rice; sugar; tobacco; and wheat.

The research for these monographs draws on ongoing analyses of world commodity markets, calculations of producer and consumer subsidy equivalents, estimates of costs of policy distortions, and cooperative work with universities and other countries. The monographs build on these efforts and others in the agricultural economics profession to bring a commodity focus to ERS's work on global policy reform.

## Family Farm Report Sent to Congress

The expansion of the external forces affecting domestic agriculture is one of the themes of a report, *The U.S. Farming Sector Entering the 1990's* (AIB-587), submitted to Congress in December 1989. The report discusses the structure and status of the farm sector. It also examines the effects on the family farm of farm commodity programs, agricultural credit conditions, biotechnology developments, and conservation policy.

The factors influencing the economic health of the U.S. farm sector have greatly changed. Gone is that special situation following World War II when the United States operated in a closed economy and its farming and manufacturing sectors set the standards for the world. American farmers are learning to survive in a new

economy by learning new technical aspects of crop and livestock production and marketing and understanding changes in macroeconomic policy and external factors that affect their farm businesses. These skills are necessary because shifts in foreign and domestic macroeconomic policy, tax policy, and trade policy affect the agriculture sector.

On macroeconomic policy, ERS researchers Ralph Monaco and John Kitchen (786-1782) discuss how the Federal Reserve's tight monetary policy (designed to keep inflation down) and large Federal budget deficits led to higher interest rates and exchange values of the dollar. The results for farmers were reduced farm exports, lower commodity prices, and increased interest costs.

On tax policy, ERS economist Ron Durst (786-1896) discusses how the Tax Reform Act of 1986 shifted the Federal income tax so that future investment in agriculture will be based more on economic returns and less on tax benefits.

A third section by ERS economist Richard Kennedy describes the current round of multilateral trade negotiations and how they might affect domestic agriculture.

Other ERS authors of the report are Nora Brooks, Thomas Carlin, Douglas Duncan, John McClelland, Tim Osborn, and Donn Reimund.

## Futures, Options Offer Few Advantages

A futures and options study mandated by the Food Security Act of 1985 has been submitted to the U.S. Congress, and a staff report and three bulletins describing results from the study have been published. These publications culminate over 3 years of research by ERS researchers Richard Heifner (786-1868), Joseph Glauber, Gerald Plato, Theresa Sun, and Bruce Wright.



The study concludes that expanded use of futures and options markets by farmers could partly substitute for price support and deficiency payment programs in protecting farmers' incomes. Farmers can broaden their pricing alternatives and partly protect themselves against price declines within the year, but they would gain little income stability from one year to the next by using futures, options, or cash forward contracts. Government programs to expand farmers' use of such contracts generally would not raise or stabilize market prices or farmers' incomes unless Government subsidies were involved. Such subsidies would be complex and difficult to administer and offer few advantages over conventional loan and deficiency payment programs.

## ERS Analysts Complete Supermarket Pricing Study

The recently released *Supermarket Prices and Price Differences: City, Firm, and Store-Level Determinants* (TB-1776), by ERS economists Phillip Kaufman and Charles

Handy (786-1866) is the last report of a major ERS research effort analyzing factors influencing supermarket prices and price differences.

The underlying supermarket price survey was conducted in 28 U.S. cities selected at random. More than 300,000 item prices were collected from 616 supermarkets representing 321 firms. The study found considerable diversity among cities and between stores and firms within cities. Store size, sales volume, store services, occupancy costs, market growth, and market entry contributed to price differences between supermarket firms. Firm market power—the ability to unilaterally raise prices due to factors such as concentration—did not significantly affect supermarket prices.

Separate surveys were conducted to collect item prices, labor costs, and store characteristics and services. An analysis of the store characteristics and services survey data appeared in an earlier report, *U.S. Supermarkets: Characteristics and Services* (AIB-502), by Charlene Price and Doris Newton (786-1866).

senior economist at Batelle Pacific Northwest Laboratories, where his research focused on energy-related natural resource issues. LeBlanc rejoined ERS in 1986 as leader of the Domestic and International Policy Impacts Section. He later served as acting chief of the Resource Policy Branch, acting associate director, and acting assistant director for coordination of RTD staff analyses.

LeBlanc has conducted research on the impacts of monetary and fiscal policy on agricultural investment and on the feasibility and impacts of ethanol production. His research has been widely disseminated in professional journals and USDA reports and at professional meetings, earning him numerous awards, including an ERS Administrator's Special Merit

Award for outstanding research and an American Agricultural Economics Association's Quality of Research Discovery Award. Twice a recipient of the ERS Excellence Award for Research, LeBlanc received USDA's Superior Service Award and an ERS Administrator's Special Merit Award for outstanding EEO contributions.

LeBlanc has a BS in resource development from Michigan State University and an MS and a PhD in resource economics from Cornell University.

## Daberkow, Harwood, and Skinner Selected as "LEGIS" Fellows

ERS economists Stan Daberkow, Joy Harwood, and Robert Skinner have been selected as legislative fellows. "LEGIS" is an Office of Personnel Management program designed to provide Federal employees a working knowledge of Congressional operations. The 6-month program represents a unique opportunity for the ERS participants to view the debate on new farm legislation from Congress' perspective.

Daberkow is working in the office of Senator Tom Harkin and also with the staff of the Senate Committee on Agriculture, Nutrition, and Forestry. He is focusing on issues related to the commodity, conservation, and environment sections of the 1990 farm bill.

Harwood is working on crop insurance, environmental programs, the conservation reserve, and water quality issues related to farm legislation for Senator Robert Dole.

Skinner is focusing on similar issues for Senator Thad Cochran.



Harwood



Skinner

## Personnel Notes

### LeBlanc Becomes RTD Associate Director

Michael LeBlanc has been appointed associate director,



Resources and Technology Division, succeeding Katherine Reichelderfer, who resigned to take a senior fellow position at

Resources for the Future. LeBlanc first joined ERS in 1980 to conduct research on energy policy, capital structure and investment, and tax policy. In 1985, he left ERS to be a

## Purdue's Doering Is Visiting Scholar at ERS

Otto Doering, professor of agricultural economics, Purdue



University, is a visiting scholar in ERS's Resources and Technology Division until midsummer. In addition to his responsibilities for work on

traditional agricultural policy at Purdue University, Doering has assessed alternative cropping systems, analyzed subsidy and terms-of-trade issues for agriculture, and led an energy policy research program.

During his stay in ERS, Doering is teaching a seminar on the evolution of U.S. agricultural policy. He is also helping with staff assignments, serving as a inhouse informal reviewer for ERS staff research writing, and participating in policy analysis on resource issues being raised in conjunction with the farm bill debate.

Doering previously was a visiting policy economist with ERS during 1976-77 and brings a wealth of professional experience to ERS's work.

Doering has a BS and PhD from Cornell University and an MS from the London School of Economics.

Kelch presented a paper (coauthored with Terri Raney), "Global and Regional Harmonization of Food Safety Rules: An Economist's View," at a California agricultural trade seminar at Stanford University • Kelch traveled to Brussels, Bonn, and Rome to present a paper, "Implications of EC-1992 for Developing Countries" • Kelch was also interviewed by USDA Radio on the EC wheat market

• **Barry Krissoff** and **Donna Roberts** presented seminars, "PSE's and Their Use in the SWOPSIM Model," to researchers in Buenos Aires and Montevideo, Argentina, and **Krissoff** and **Emily McClain** presented the same seminar to researchers in Brazil • **Fred Nelson** participated in collaborative work with the Secretariat of the Organization for Economic Cooperation and Development on aggregate measures of agricultural support, in Paris, France • **Nelson** and **Harry Baumes** participated in the OECD's Working Party on Agricultural Policies and Markets of the Committee for Agriculture and the Joint Working Party of the Committee for Agriculture and Trade meeting in Paris • **Stacey Rosen** was interviewed by USDA Radio about food aid for Ethiopia • and **Shwu-Eng Webb** presented a paper, "Government Intervention in China's Agriculture," at the University of Delaware.

## Highlights of Staff Activities

### *Agriculture and Rural Economy Division*

**James Malley** presented a seminar on world modeling and forecasting at George Washington University and at the U.S. Department of State • **Sara Mazie** discussed the relationship of the agricultural sector and the rural economy at an Agribusiness Outlook and Policy Conference sponsored by the Center for Agricultural and Rural Development, in Des Moines, Iowa • **Norman Reid** discussed ERS's research and publications program at a USDA Forest Service National Rural Development Task Force meeting, in Washington, D.C. • and **Deborah Tootle** presented a paper, "Dynamics of Underemployment in Rural Labor Markets" (coauthored with Leann Tigges, University of Georgia), at a Southern Stratification Research Group meeting in Louisville, Ky.

### *Agriculture and Trade Analysis Division*

**Douglas Brooks** traveled to Thailand and Burma to examine deforestation, changes in wood products trade, and their effects on agriculture, and participated in a conference, "Thailand in the International Economic Community," sponsored by the Thailand Development Research Institute, in Bangkok • **Linda Calvin** presented a paper, "Participation in the Federal Crop Insurance Program," at a Southern Agricultural Economics Association meeting, in Little Rock, Ark. • **Nancy Cochran** participated in a National Intelligence Council Conference, "Prospects for Economic Reform in Eastern Europe," in Washington, D.C. • **Praveen Dixit** and **Stephen Magiera** led a discussion on agricultural trade liberalization at the Office of the U.S. Trade Representative, in Washington, D.C. • **Arthur Dommen** made a five-country trip to Africa to give lectures and conduct workshops on agricultural development topics under the U.S. Information Agency's Ampart Program • **David**

### *Commodity Economics Division*

**Robert Barry** presented a briefing on the sugar situation to national and international industry representatives and government officials at a Washington Perspectives seminar, in Washington, D.C. • **Barry** and **Peter Buzzanell** briefed congressional staffers on the U.S. sugar program and industry trends and outlook • **Buzzanell** also discussed U.S. and world sweetener markets at an



American Sugarbeet Growers meeting, in Washington, D.C.

• **Robert Bohall** and **Patrick O'Brien** consulted with the Egyptian Agricultural Ministry on commodity outlook analysis reporting, in Cairo • **O'Brien** presented a paper on the economic development issues associated with industrial uses of agricultural commodities at an Industrialization Conference, in Washington, D.C.

• **Lee Christensen** participated in an International Poultry Trade Show, in Atlanta, Ga. • at a Beltwide Cotton Conference in Las Vegas, Nev., **Samuel Evans** participated in a panel discussion, "Outlook for the 1990 Farm Bill and Potential Impacts on U.S. Cotton Production and Consumption"; **Edward Glade** presented a paper, "Estimating Future Cotton Fiber Quality Requirements"; **Joseph Glauber's** paper (coauthored with **Joy Harwood**), "Federal Crop Insurance and the 1990 Farm Bill: Implications for Cotton," was on the program; **Leslie Meyer** presented a paper (coauthored with **Scott Sanford**), "Trends and Factors Influencing U.S. Cotton Yields"; **Sanford** presented a paper, "Factors Influencing U.S. Trade in Raw Cotton"; **Harold Stults** presented a paper, "Cost of Producing Cotton"; and **Carolyn Whitton** presented a paper, "Will Current Reforms in Centrally Planned Economies Lead to Larger Cotton Demand in the 1990's?" • at a Rice Technical Working Group meeting in Biloxi, Miss., **Linwood Hoffman** presented a paper, "Performance of the Rough Rice Futures Market, 1986-89"; **William Lin** presented two papers, "Economic Consequences of Rice Programs, 1984-87" and "Selected Characteristics of U.S. Farms Growing Rice"; and **Janet Livezey** presented a paper, "U.S. Rice Situation" • **Livezey** also presented a paper, "U.S. Rice Situation," at an American Farm Bureau Rice Advisory Committee meeting in Nashville, Tenn., and at a Texas Farm Bureau Rice Advisory Committee meeting in Dallas, Tex.

• **Richard Heifner** participated in a meeting of the Chicago Board of Trade on new commodity options pilot program for the 1990 farm bill, in Chicago, Ill. • **Mack Leath** presented two papers, "Combining Dockage and Foreign Material in Wheat" and "Economic Implications of Separating Broken Kernels and Foreign Material in Sorghum Standards," at an NC-151 Regional Research Committee meeting, in Kansas City, Mo. • **Kathryn Lipton** was interviewed by USDA's Ag USA radio program on changes in U.S. agriculture and emerging issues for legislation in the 1990's • **Gary Lucier** was interviewed by the Associated Press TV network on the impact of the Florida freeze on retail tomato prices • **Stephanie Mercier** presented a paper, "Sources of Price Instability in the U.S. Grain Market," at a Southern Agricultural Economics Association meeting, in Little Rock, Ark. • **Stephen Milmo** was interviewed by USDA-TV on U.S. agricultural trade developments • **Lester Myers** presented a paper, "Food Imports and Exports—U.S. Trade Status" at a Soviet-American Food Conference organized by Summit Limited and the University of Nebraska Food Processing Center, in Lincoln, Nebr. • **James Schaub** presented a paper, "Outlook for Oilseed Markets in 1990 and Beyond," at a National Fish Meal and Oil Association meeting in Washington, D.C. • **Schaub** also presented a paper, "Situation and Outlook for Oilseeds and Vegetable Oils," at an Oilseeds and Vegetable Oils meeting sponsored by USDA's Agricultural Research Service and the Mississippi Valley Oilseed Processors Association, in New Orleans, La. • **Sara Short** discussed prices in dairy product markets at a University of Maryland seminar • **Carol Whitton** discussed the likely effect of current economic reforms in Eastern Europe and the Soviet Union on the demand for cotton at a Washington Textile Roundtable meeting, in Washington, D.C. • and **Edward Young** briefed

congressional staffers on the operation of the U.S. rice program and the current situation and outlook for rice.

### *Resources and Technology Division*

**Joseph Barse** presented a paper, "Alternative Estimates of the Economic Value of Nitrogen in Wet Deposition on Crops and Cropland," at an international conference on "Acidic Deposition: State of Science and Technology," in Hilton Head Island, S.C. • **Steven Crutchfield** discussed socioeconomic data relating to ERS's water quality initiative at a water quality data and modeling activities conference sponsored by the U.S. Geological Survey, in Reston, Va. • at a Southern Agricultural Economics Association meeting in Little Rock, Ark., **David Ervin** chaired an invited paper session, "Environmental and Food Safety Impacts of Production Agriculture: Issues, Opinions, Research Needs," and selected papers included "Capacity Utilization and the Measurement of Agricultural Productivity," by **James Hauver**, **Jet Yee**, and **Eldon Ball**, and "Measurement of Technical Efficiency by Region, Farm Size, and Tenure Status on U.S. Sugar Beet Farms," by **Richard Nehring** • **Ervin** and **Tim Osborn** led a Congressional Research Service seminar on the operation, performance, and current issues of the conservation reserve program, and **Ralph Heimlich** addressed the group on "Wetlands and Agriculture: Swampbuster and Beyond," in Washington, D.C. • **Heimlich** discussed data collection and research plans for the initial phase of the newly approved Northeast regional research project NE-170 on "Rural Land Policy in the Northeast," at the University of Delaware • **Heimlich** also

See HIGHLIGHTS, p. 8

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HIGHLIGHTS, from, p. 7

discussed "Land Use Change in the Great Plains, 1949-89" at a meeting of the Great Plains Agricultural Council Range and Livestock Committee, in Denver, Colo. • at an American Association for the Advancement of Science meeting in New Orleans, La., **Kenneth Algozin** presented a paper, "Devising Effective Policies for Managing Agricultural Chemicals" (coauthored with **Sally Kane** and **Matt Rendleman**); **Stephen Frerichs** presented a paper, "Agrichemical Use and Farm Policy: Defining Conceptual Relationships and Analyzing Empirical Evidence" (coauthored with **David Ervin**); and **John McClelland** presented a paper, "Agricultural Biotechnology: How Do We Assess the Aggregate Economic Impacts?" (coauthored with **Bruce Larson**) • **John Reilly**

was part of an eight-member U.S. delegation at a meeting of the Intergovernmental Panel on Climate Change Working Group on Climate Change Effects, in Moscow and Nalchik, U.S.S.R. • **Marc Ribaud** presented a seminar, "Offsite Effects of Agricultural Soil Erosion," at the University of Illinois • **John Schaub** discussed USDA's pesticide data collection program at an Environmental Protection Agency Pesticide Users Advisory Committee meeting, in Washington, D.C. • and at a Southern Regional Science Association meeting in Washington, D.C., **Parveen Setia** presented a paper, "Air and Water Quality Impacts of the Conservation Reserve Program in the Southeast: Economic Analysis"; and **Philip Szmedra** presented a paper, "Government Farm Programs and Pesticide Use in the Southeast."

*Office of the Administrator*

**John Lee** reported on ERS activities and participated in a strategic planning meeting of the North Central Experiment Station Directors, in St. Louis, Mo. • **Edward Reinsel** served on a panel concerned with Federal statistical programs at a meeting of the Council of Professional Associations on Federal Statistics, in Washington, D.C. • and **Bob Robinson** participated in a South Carolina Bankers Association meeting, in Columbia, S.C., and led the U.S. delegation to a meeting of the Organization for Economic Cooperation and Development Committee on Agriculture, in Paris, France.